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Holdings, Inc. and Defendants Daniel H.  
Schulman, John D. Rainey, Aaron A. Anderson,  
Jeffrey Karbowski, Rodney C. Adkins, Wences  
Casares, Jonathan Christodoro, John J.  
Donahoe, David W. Dorman, Belinda J.  
Johnson, Gail J. McGovern, Deborah M.  
Messemer, David, M. Moffett, Ann M. Sarnoff,  
and Frank D. Yearly*

[additional counsel on signature page]

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

SHANG PANG, derivatively on behalf of  
PAYPAL HOLDINGS, INC.,

Plaintiff,

v.

DANIEL H. SCHULMAN, JOHN D.  
RAINEY, AARON A. ANDERSON,  
JEFFREY KARBOWSKI, RODNEY C.  
ADKINS, WENCES CASARES,  
JONATHAN CHRISTODORO, JOHN J.  
DONAHOE, DAVID W. DORMAN,  
BELINDA J. JOHNSON, GAIL J.  
MCGOVERN, DEBORAH M.  
MESSEMER, DAVID M. MOFFETT,  
ANN M. SARNOFF, and FRANK D.  
YEARLY,

Defendants,

and

PAYPAL HOLDINGS, INC.,

Nominal Defendant.

Case No. 3:21-cv-09720-CRB

**STIPULATION AND ~~PROPOSED~~  
ORDER REGARDING  
CONSOLIDATION AND STAY OF  
CASES PENDING RESOLUTION OF  
MOTIONS TO DISMISS RELATED  
SECURITIES CLASS ACTION**

ROBERT LALOR, derivatively on behalf of  
PAYPAL HOLDINGS, INC.,

Plaintiff,

v.

DANIEL H. SCHULMAN, JOHN D.  
RAINEY, RODNEY C. ADKINS,  
JONATHAN CHRISTODORO, JOHN J.  
DONAHOE, DAVID W. DORMAN,  
BELINDA J. JOHNSON, GAIL J.  
MCGOVERN, DEBORAH M. MESSEMER,  
DAVID M. MOFFETT, ANN M. SARNOFF,  
FRANK D. YEARY, and WENCES  
CASARES,

Defendants,

and

PAYPAL HOLDINGS, INC.,

Nominal Defendant.

Case No. 3:22-cv-00370-CRB

WHEREAS, on December 16, 2021, Plaintiff Shang Pang filed a putative shareholder derivative action lawsuit (the “Pang Action”) purportedly on behalf of PayPal Holdings, Inc. (“PayPal”) seeking contribution under Sections 10(b) and 21D of the Securities Exchange Act of 1934 (the “Exchange Act”) and asserting claims for breach of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, and violations of Section 14(a) of the Exchange Act against Daniel H. Schulman, John D. Rainey, Aaron A. Anderson, Jeffrey Karbowski, Rodney C. Adkins, Wences Casares, Jonathan Christodoro, John J. Donahoe, David W. Dorman, Belinda J. Johnson, Gail J. McGovern, Deborah M. Messemer, David M. Moffett, Ann M. Sarnoff, and Frank D. Yeary (the “Individual Defendants,” and collectively with PayPal, “Defendants”);

WHEREAS, on January 19, 2022, Plaintiff Robert Lalor filed a putative shareholder derivative action lawsuit (the “Lalor Action” and collectively with the Pang Action, the “Actions”) purportedly on behalf of PayPal asserting claims for breach of fiduciary duty, unjust

1 enrichment, waste of corporate assets, and violations of Section 14(a) of the Exchange Act  
2 against the Individual Defendants, except for Aaron A. Anderson and Jeffrey Karbowski;

3 WHEREAS, counsel for the Parties have conferred, and the Parties agree that the Actions  
4 should be consolidated for all purposes because the cases involve similar claims and questions of  
5 law or fact, and because consolidation would advance the interests of judicial economy;

6 WHEREAS, on August 20, 2021, a related putative securities class action lawsuit  
7 captioned *Huei-Ting Kang v. PayPal Holdings, Inc., et al.*, Case No. 3:21-cv-06468-CRB (N.D.  
8 Cal.) (“Related Securities Class Action”) was filed in this Court against PayPal and certain of the  
9 Individual Defendants, alleging violations of the federal securities laws based on substantially the  
10 same facts and circumstances at issue in these Actions;

11 WHEREAS, the outcome of the anticipated motion(s) to dismiss the Related Securities  
12 Class Action will be informative to the litigation of these Actions;

13 WHEREAS, the defendants in the Related Securities Class Action intend to file motion(s)  
14 to dismiss directed at the pleadings pursuant to Fed. R. Civ. P. 12(b)(6) and the Private Securities  
15 Litigation Reform Act of 1995;

16 WHEREAS, the parties agree that a stay of the Actions pending resolution of the  
17 anticipated motion(s) to dismiss directed at the pleadings in the Related Securities Class Action is  
18 appropriate in that it will avoid inefficiencies and duplicative efforts, will better preserve the  
19 resources of the Court and the parties, and will more closely align the proceedings in these  
20 Actions with the proceedings in the Related Securities Class Action;

21 WHEREAS, Defendants are willing to waive individual service of the complaints in the  
22 Actions (the “Complaints”);

23 IT IS HEREBY STIPULATED AND AGREED, by and among the parties listed below,  
24 by their undersigned counsel, subject to approval of the Court, as follows:

25 1. The following actions are hereby consolidated for all purposes, including pre-trial  
26 proceedings and trial, under Case No. 21-cv-09720-CRB (the “Consolidated Action”):  
27  
28

Case Name	Case Number	Date Filed
<i>Pang v. Schulman, et al.</i>	3:21-cv-09720-CRB	December 16, 2021
<i>Lalor v. Schulman, et al</i>	3:22-cv-00370-CRB	January 19, 2022

2. Every pleading filed in the Consolidated Action, or in any separate action included herein, must bear the following caption:

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

IN RE PAYPAL HOLDINGS, INC.  
DERIVATIVE LITIGATION

Lead Case No. <sup>3</sup>3:21-cv-09720-CRB  
~~5~~:21-cv-09720-CRB

This Document Relates to:

ALL ACTIONS

3. All papers filed in connection with the Consolidated Action will be maintained in one file under Lead Case <sup>3</sup>~~5~~:21-cv-09720.

4. This Order shall apply to each shareholder derivative action arising out of the same, or substantially the same, transactions or events as these cases, which is subsequently filed in, removed to, reassigned to, or transferred to this Court. When a shareholder derivative action that properly belongs as part of *In Re PayPal Holdings, Inc. Derivative Litigation*, Lead Case No. <sup>3</sup>~~5~~:21-cv-09720 is hereafter filed in the Court, removed to this Court, reassigned to the Court, or transferred here from another court, this Court requests the assistance of counsel in calling to the attention of the clerk of the Court the filing, removal, reassignment, or transfer of any case that might properly be consolidated as part of *In Re PayPal Holdings, Inc. Derivative Litigation*, Lead Case No. <sup>3</sup>~~5~~:21-cv-09720, and counsel are to assist in assuring that counsel in subsequent actions receive notice of this order. Unless otherwise ordered, the terms of all orders, rulings, and decisions in the Consolidated Action shall apply to all later shareholder derivative actions involving PayPal filed in this Court.

1           5.       The Brown Law Firm, P.C. and Rigrodsky Law, P.A., the resumes of which are  
2 attached hereto as Exhibits A and B, respectively, are appointed as Co-Lead Counsel for plaintiffs  
3 in the Consolidated Action.

4           6.       Co-Lead Counsel shall set policy for plaintiffs for the prosecution of this litigation,  
5 ensure that there is no duplication of effort or unnecessary expense, coordinate on behalf of  
6 plaintiffs the initiation and conduct of discovery proceedings, provide direction, supervision, and  
7 coordination of all activities of plaintiffs' counsel, and have the authority to negotiate a  
8 settlement, subject to approval of the Court.

9           7.       Defendants hereby waive individual service of the Complaints.

10          8.       All proceedings in the Consolidated Action shall be temporarily stayed pending  
11 the ruling on the anticipated motion(s) to dismiss directed at the pleadings filed in the Related  
12 Securities Class Action; the stay shall remain in effect until resolution of any and all motions to  
13 dismiss in the Related Securities Class Action.

14          9.       If and once the stipulated stay of proceedings is lifted, the parties shall meet and  
15 confer and within fourteen (14) days after the stay is lifted submit a proposed scheduling order  
16 governing any further proceedings in the Consolidated Action, including the date by which the  
17 Individual Defendants and/or PayPal must answer or otherwise plead, and the date and time for a  
18 case management conference.

19          10.       Notwithstanding the foregoing, Plaintiffs may file a consolidated complaint during  
20 the pendency of the stay, although Defendants are under no obligation to respond during the  
21 pendency of the stay.

22          11.       Any party may cause the stay to be lifted upon thirty (30) days' written notice via  
23 email to the undersigned counsel, after which point the parties shall meet and confer and submit a  
24 proposed scheduling order as described in paragraph 9.

25          12.       Defendants shall promptly notify Plaintiffs should they become aware of any  
26 related derivative lawsuits ("Related Derivative Action") or threatened, related derivative  
27 lawsuits, including books and records demands or litigation demands ("Threatened, Related  
28 Derivative Actions").

13. In the event that a mediation is held in an effort to settle the Related Securities Class Action, any Related Derivative Actions, or any Threatened, Related Derivative Actions, counsel for PayPal and/or the Individual Defendants shall provide Co-Lead Counsel with reasonable advance notice of said mediation and shall include Plaintiffs in such mediation, except that if plaintiffs in the Related Securities Action (or any Related Derivative Actions or Threatened, Related Derivative Actions) object to including Plaintiffs in such mediation, Defendants shall mediate with Plaintiffs at or about the same time separately.

14. While this stipulation is in effect, and subject to the execution of an appropriate confidentiality agreement and/or protective order, Defendants shall promptly produce to Plaintiffs copies of any documents produced in any Related Derivative Actions and any documents produced in response to any books and records demands or proceedings.

Dated: January 31, 2022

JAMES N. KRAMER  
ALEXANDER K. TALARIDES  
Orrick, Herrington & Sutcliffe LLP

/s/ Alexander K. Talarides  
ALEXANDER K. TALARIDES

*Attorneys for Nominal Defendant PayPal Holdings, Inc. and Defendants Daniel H. Schulman, John D. Rainey, Aaron A. Anderson, Jeffrey Karbowski, Rodney C. Adkins, Wences Casares, Jonathan Christodoro, John J. Donahoe, David. W. Dorman, Belinda J. Johnson, Gail J. McGovern, Deborah M. Messemer, David, M. Moffett, Ann M. Sarnoff, and Frank D. Yearly*

*I, Alexander K. Talarides, am the ECF user whose ID and password are being used to file this Stipulation and [Proposed] Order Regarding Consolidation and Stay of Cases Pending Resolution of Motions to Dismiss Related Securities Class Action. In compliance with General Order 45, X.B., I hereby attest that Robert C. Moest and Rachele R. Byrd have concurred in this filing.*

Dated: January 31, 2022

/s/ Alexander K. Talarides  
ALEXANDER K. TALARIDES

1 Dated: January 31, 2022

ROBERT C. MOEST  
The Brown Law Firm, P.C.

2  
3  
4 /s/ Robert C. Moest

ROBERT C. MOEST

5 *Attorneys for Plaintiff Shang Pang*

6  
7 Dated: January 31, 2022

RACHELE R. BYRD  
Wolf Haldenstein Adler Freeman & Herz LLP.

8  
9  
10 /s/ Rachele R. Bryd

RACHELE R. BYRD

11 *Attorneys for Plaintiff Robert Lalor*

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13 \*\*\*

14 ORDER

15 Based on the stipulation of the signed parties, and good cause appearing, IT IS HEREBY  
16 ORDERED that the Stipulation is approved.

17 **IT IS SO ORDERED.**

18  
19 DATED: February 1, 2022

20   
THE HONORABLE CHARLES R. BREYER  
UNITED STATES DISTRICT JUDGE